The A. F. of L. Weekly News Service gives news synopsis and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

# AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WE PLEDGE—
1 BILLION DOLLERS
IN
WAR SAVINGS BONDS
FOR VICTORY

WHOLE NO. 1635 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, AUGUST 11, 1942 GEORGE MEANY, Secretary-Treasurer VOL. 32, NO. 32

## FACING the FACTS

*With* PHILIP PEARL

A smart lawyer with a poor case is always out to delay trial as long as possible, even though such delays amount to a denial of justice.

We nominate Thurman Arnold for the championship of this sly division of the legal profession, for he has just pulled one of the cheapest tricks in the practice of law.

Here is a man who is an Assistant Attorney General of the United States, in charge of the Anti-Trust Division of the Department of Justice, engaging in legal hair-splitting which results in a mockery of justice.

We refer to the case brought by Arnold against the American Federation of Musicians. This union, in a legitimate attempt to provide jobs for its unemployed—forty per cent of whom are unemployed—has been insisting on the making of records for broadcasting purposes when such records take away jobs from musicians.

Naturally, the radio interests opposed this move and, just as naturally, the anti-labor press took up their cause with a great hue and cry. Arnold, with his eye on publicity and in an attempt to embarrass the union, immediately filed a complaint in the Federal Court in Chicago asking an injunction to restrain the union from carrying out its legitimate purpose.

### No Leg To Stand On

Now if Arnold had a legal leg to stand on he would have pressed for an immediate hearing of the case. But what did he do? A responsible attorney for the Musicians Union were ready and anxious to go ahead at once, Arnold asked for and obtained a two months' postponement.

We submit that this is an injustice of the highest kind. Because of the charges made by Arnold's office, the Musicians Union stands indicted in the public mind. It is the duty of the Department of Justice and its staff to give this union and its officers an immediate hearing so they can clear their name. But Arnold has failed to live up to the first principle of American justice by delaying trial of the issues.

The dispute between the union and the broadcasting interests is one which, in the normal course of events, would be amicably settled through collective bargaining. But if a settlement is made now, the public reaction would be that the union was forced to retreat because of fear of the outcome of the injunction suit. Then Arnold could withdraw his baseless case with a flourish and bow to public applause for his services in the cause of justice.

That's just what he wants to see happen. That's just what he's hoping and praying will happen. For even the lawyers for the broadcasting companies privately admit that there isn't a shred of justification in law for the complaint now on file against the Musicians Union. Even a layman can understand that, because the Sherman Anti-Trust Act specifically forbids Federal Judges to issue injunctions in labor disputes.

### The Case Against Canned Music

Arnold's position in this case is on a par with his whole campaign against trade unions. Again and again he has brought charges against labor organizations under the Anti-Trust laws only to see each case boomerang in his face when the Supreme Court of the United States finally passed on the issues.

A sincere public official entrusted with the administration of law rarely should bow to the law as interpreted by the Supreme Court. But Arnold's only interest in prosecuting unions is to persecute them.

Now some may say that even though Arnold has no legal basis for proceeding against the Musicians Union he is justified in doing it if the union's rule is against the public interest. The people who say this are prejudiced against the union because of what they have read in the hostile press. Almost with one voice the newspapers have denounced the "no-record" rule as a dictatorial action by the President of the union.

But the facts are that the American Federation of Musicians, meeting in convention in 1941, adopted the resolution against canned music after discussing it for the unanimous vote of 518 delegates. The facts show that the officers of this union tried vainly to negotiate this matter with the broadcasting companies and repeated their failure to the 1942 convention which reaffirmed the action of the 1941 meeting. The facts show that the officers of the union took drastic action only when the industry refused to make a fair and decent compromise.

Why should the musicians commit suicide? Records cannot be made without their services, yet their jobs are threatened by the use of records on the broadcasting station. It would be different, perhaps, if the radio stations could not afford to hire live musicians. But the industry is prosperous. It depends upon music made by union members yet it refuses to give them the opportunity to keep their jobs.

## U. S. Fights Inflation To Win War, Not Vice Versa, Says AFL Economist

Washington, D. C.—Boris Shishkin, American Federation of Labor economist, exposes the fallacious reasoning of proponents of wage freezing in an article in this month's American Federationist.

"Those advocating a wage freeze," he writes, "fail to distinguish between wages as purchasing power and wages as costs. The usual argument is that an increase in wage rates leads to an increase in the price of the product, which in turn leads to further wage increases and thus starts off an inflationary spiral.

"As a matter of fact, wages are a relatively small fraction of the total cost in our industry. In manufacturing, wages average only 16 per cent of the value of the product and are only 36.8 per cent of the value added by manufacture to the value of the raw materials.

"A 10 per cent increase in wages should not, in the average situation, account for more than a 1.6 per cent increase in price if the volume of production remains the same. When the volume of production is expanding, such a wage increase should not lead to any price increase at all."

Mr. Shishkin points to the price history of the past thirty years as "conclusive proof" that it is not difficult to achieve substantial increases in wage levels and at the same time achieve lower and lower prices on the product manufactured by the workers benefiting from these wage boosts. Productivity per worker per hour rose 43 per cent between 1929 and 1941, he emphasizes, with labor costs per unit of product falling 12 per cent in the period.

The A. F. of L. economist says that a program of inflation control must be geared to the maximum war effort and not the war effort to inflation control.

"We are fighting inflation to win the war," he writes. "We are not fighting the war to stop inflation."

Mr. Shishkin, declaring some pay increases are essential to compensate wage-earners for "excessive loss in buying power," lists wartime developments affecting the worker which, in the aggregate, have increased the actual cost of living 20 to 30 per cent. This rise is shown by the Bureau of Labor Statistics index. Compensatory wage increases, the article asserts, are necessary and justifiable and not inflationary by any stretch of the imagination.

"We have undertaken a total mobilization of our industrial capacity and a total mobilization of our whole force to achieve maximum production and maximum productive employment," Mr. Shishkin says in conclusion. "Such mobilization can be carried out and victory price inflation can be achieved under the comprehensive program of inflation control proposed by the President on April 27, 1942.

"Victory must be won and inflation controlled through a total national effort, but not a totalitarian one. We are fighting the war first and inflation second. Price control at any price is subversive to the war effort. Its adoption the nation must not permit."

## Conference of AFL Office Workers Reorganizes International Council

Chicago, Ill.—A functioning international council of office employes' unions became a reality as a result of a conference of American Federation of Labor office workers' unions held here at the Palmer House.

The conference, called by William Green, AFL president, to reorganize the American Federation of Office Employes International, met for a total of two days. Officers were elected, and a constitution and by-laws drawn up.

Paul R. Hutchings, Office Employes' Union, Local 11712, Washington, D. C., was elected secretary-treasurer of the council. Howard A. Peters, Local 16621, Portland, Ore., was chosen president.

In a letter to the delegates: "You are talking about the future, about the part you are going to play in the great American Federation of Labor and in national affairs. Your potential strength is great. You can help the organization of over half a million members easily. They ought to be organized and by-laws drawn up with us. I feel sure that some day they will."

## PLUMBERS UNION BUYS $3,653,486 WAR BONDS

Washington, D. C.—Secretary-Treasurer Martin P. Durkin of the United Association of Plumbers and Steamfitters of the United States and Canada reported to President William Green of the American Federation of Labor that the members of the union had purchased $1,869,463 war bonds and the local unions $1,673,083, a combined total of $3,653,486.

## Roosevelt Urges More Production To Win War Against Axis Powers

Washington, D. C. — President Roosevelt announced in a nation-wide radio program the establishment of a new Army-Navy production award to be conferred on plants achieving notable production records and on the workers in those plants who work in these plants.

AFL President William Green responded on the same program, pledging that AFL workers will do their part, "as well that in plants all over America where AFL men and women are at work, we hope to see the banner of the Army-Navy production award flying."

The message from the President, which was read over the radio by Elmer Davis, head of the Office of War Information, follows:

"Great progress has been made in the battle of production, but in much of what will be required to defeat our enemies we have only just begun to get into our stride. To win this war, an unceasing flood of weapons and materials must pour forth from the factories, shipyards, and mines of our country.

"The men and women of management and labor who provide such material are performing a task without which victory would be impossible.

"The Army and the Navy, united in their efforts today as never before in the history of our country, have established a civilian decoration to be called the Army-Navy Production Award. This award will be conferred on war facilities in which notable production records are made by labor and the men and women who work in them.

"An Army-Navy Production Flag flying above a factory or a mine will bear witness that management and labor there are doing their utmost to help their Army and Navy to win this war.

"An Army-Navy Production emblem, worn by a civilian, will distinguish outstanding service in the greatest production forces in the world today —a united and free Army of American workers.

"The united efforts of our Army and Navy striking at the enemy on every continent and every ocean, and of our people at home working without interruption to turn out the weapons of war, cannot fail to produce the victory which will again establish the tradition of free men throughout the world."

Mr. Green said in response:

"This job of producing more war equipment and producing it quickly is not an easy assignment. But we'll do it. We'll do it because it's got to be done. We'll do it because we'll all unite to do it. On behalf of the 6,000,000 members of the American Federation of Labor, I pledge you that fidelity. We'll do our part. And we'll do it so well that in plants all over America where AFL men and women are at work we hope to see the banner of that Army-Navy Production Award flying. This is a magnificent recognition of a job well done.

"We have only one objective today: to free the world from oppression, brutality and the creed that one nation has the right to dominate and enslave all opposed nations. To this task our untiring efforts are dedicated."

## Tobin Named AFL Fraternal Delegate To British Trades Union Congress

Chicago, Ill.—The AFL Executive Council appointed Vice President Daniel J. Tobin to serve as fraternal delegate to the annual convention of the British Trades Union Congress which will be held somewhere in Great Britain, beginning Sept. 7.

AFL President William Green announced that a second fraternal delegate to this convention still remains to be named. The British Trades Union Congress, he added, is sending two fraternal delegates, as usual, to the forthcoming annual convention of the AFL which will be held in Toronto, Canada, beginning Oct. 5.

It was also revealed by Mr. Green that the British Trades Union Congress is sending five representatives here for the first meeting of the new American-British War Production Committee which will be held in Washington, D. C., Sept. 23. The AFL members of this committee have not yet been appointed. The objective of this committee will be to find ways and means by which the labor movements of the United Nations can help promote speedy victory in the war against the Axis Powers.

## Labor and Management "Teaming Up" To Lick the Axis, Chamber Head Says

Washington, D. C. — Leaders of American labor and the chiefs of American industry are "thinking along the same lines" in these historic days, in the opinion of Eric A. Johnston, president of the U. S. Chamber of Commerce. Writing in the current issue of The American Federationist, he says American labor and management are "teaming up" for the war effort, according to the United Nations.

The nation has "every reason to be proud" of the way American wage-earners and industrialists have met the challenge of World War II, writes this employer from the Pacific Northwest who respects unions and believes it is common sense for employers and employees to respect each other and work together.

Both labor and management, writes Mr. Johnston in his Federationist article, are "firm in the belief that the American people of free enterprise are incomparably better and will yield far more benefits than any 'managed' economy or economy that has been devised."

"Competent labor leaders are quite aware," he declares, "that their followers have nothing to gain by starvation, and responsible industrial executives are quite as aware that they have nothing to gain by starving labor. The extreme, in either case, would be the very 'treadmill' economy which both are trying to avoid."

Mr. Johnston pleads, in his article, that both labor and management wake up to the fact that the way ahead will either stand or fall together. He says—that if the one is regimented, it is inevitable that the other will be, too.

Looking ahead to the time when peace returns, Mr. Johnston writes:

"When the clouds have lifted, the sun will not shine on a serene and placid world. It will shine, rather, on a world laid low by the storm of conflict and littered with the debris of destruction.

"When the war ends, the fight for peace will have only begun. We shall need, in the same full measure, the willing cooperation of labor and the vast battle of the factories, forges and workshops in which we are now engaged."

## INTER-AMERICAN SOCIAL SECURITY PARLEY CALLED

Montreal, Can.—Reports from a number of the outstanding authorities in the field of social security in the Western Hemisphere will serve as the basis for discussion at the Inter-American Conference on Social Security opening September 10 in Santiago, Chile, it was announced by the International Labor Office here.

The conference is being held under the auspices of the Chilean Government, and it will bring together Cabinet members, social security administrators and technical officials from the Latin American republics, the United States and Canada. The I.L.O. is in charge of the technical preparations for the meeting.

## WPA REPORTS 700,000 EMPLOYMENT INCREASE

Washington, D. C. — The Works Progress Administration reported that employment increased 700,000 from June to July, bringing the total number of persons employed on WPA projects to a high of 4,000,000. Unemployment, however, remained unchanged at 2,800,000, the W. P. A. said, explaining that while 700,000 persons found jobs, 700,000 others entered the labor force, mostly young people leaving school and seeking employment for the first time.

The total labor force, those employed plus those seeking jobs, was placed at 56,900,000 during July. The number of employed set a new record for the third successive month.

## NOTE TO EDITORS

Mats of a batch of excellent war bond advertisements prepared especially for the use of the labor press—in Labor Day as well as subsequent issues—are now enroute to all labor papers. Those mats, which are of various sizes, should be received by editors within a few days. If your package fails to arrive within a week, notify the War Savings Staff, Treasury Department, 709 12th Street N. W., Washington, D. C.

## PLAN FORMED TO PROVIDE LABOR FORCE TO FARMERS

Washington, D. C. — The Department of Agriculture announced that a special corps of machinery to provide farmers with workers sufficient to meet their requirements at wage rates that prevail in the community for that kind of work, will be established under no conditions shall the workers be paid less than 30 cents an hour or its equivalent on a piece rate basis, Secretary of Agriculture Claude Wickard said the plan will be administered by the Federal Security Administration, working closely with State and County war boards and the United States Employment Service. The Department has obtained $500,000 from the President's emergency fund to begin the job.

# New AFL-CIO Peace Meeting Set; Green Calls For Pact Fair To All; Says It Will Help Speed Victory

## Text of AFL Peace Statement

*Chicago, Ill.—The text of President William Green's statement on labor peace, issued at the conclusion of the Council meeting, follows:*

I regard Mr. Murray's letter of Aug. 1 as official acceptance by the CIO of the American Federation of Labor's proposal that conferences be resumed to reach a basis for establishing peace and unity in the labor movement.

The standing peace committee of the American Federation of Labor is ready to meet with the committee appointed by Mr. Murray. Steps will be taken at once to arrange a time and place at which conferences can be held.

The members of the American Federation of Labor Committee are Vice Presidents Harry C. Bates, Daniel J. Tobin and William L. Hutcheson.

Re-establishment of organic unity in the ranks of organized labor is the greatest single contribution the American Federation of Labor and the CIO can make at this time to the success of the war effort. It will eliminate division, discord and jurisdictional strife. It will expedite war production. It will permit labor to speak with a single and more effective voice, both in protecting the national and allied interests of workers today and when world peace is finally negotiated.

These conclusions are based upon my understanding that organic unity means the merging of the two organizations into one, the setting up of one national labor movement clothed with authority to speak for the organized workers of the nation.

It is idle to speculate that conferences seeking organic unity may interfere with the joint efforts of the American Federation of Labor and the CIO to arrive at joint policies since the beginning of the war, through the Combined Labor War Board which meets with President Roosevelt. The two matters are entirely distinct and apart. If success is achieved in establishing organic unity between the American Federation of Labor and the CIO and the CIO can cooperate more closely than ever before. And even if these conferences should fail, surely organized labor will not let any such difference interfere with united action to speed America's victory in the war.

The problem of achieving unity has been gravely complicated by the passage of the Ball-Burton-Hatch-Smith bill and other anti-labor legislation in the same fields. Many difficult jurisdictional questions will have to be solved before an over-all peace can be reached. I appeal to the American people to exercise patience and give the conferences ample time to consider these problems carefully and thoroughly because over-emphasis on haste may jeopardize the chances of eventual success.

I am confident that actuated by the desire for peace which prevails throughout the ranks of labor, the conferees will be able to reach a settlement fair to all concerned.

The American Federation of Labor never sought the division in the ranks of labor which now exists and has done its utmost to reunite the labor movement ever since the split occurred. The success of previous negotiations is well known to the public, as is the constant and unswerving willingness of the American Federation of Labor to seek to reach an accord at any and all times.

## AFL Salutes Letter Carriers On "Labor For Victory" Program

Washington, D. C.—The American Federation of Labor paid a high tribute to the letter carriers of the nation on the August 8 "Labor For Victory" program over a nation-wide NBC network.

Pointing out that "come Hitler or high water, Uncle Sam's army in gray is carrying the mail and delivering it on time" to millions of civilians and to hundreds of thousands of soldiers addressed to millions more in Army and Navy camps, the broadcast emphasized the fact that the increased cost of living has risen 15 per cent since January, 1941, alone, to which since January, 1941, alone, to which must be added the additional compensating pay increases; in reality, expressed in purchasing power, the pay envelope, they are receiving less now than in 1939 ago.

Another outstanding feature of the program was an interview with President William C. Doherty of the National Association of Letter Carriers, who explained the serious financial difficulties faced by letter carriers with their static salaries while living costs constantly rise.

"Letter carriers are paid from $1,560 to $2,100 a year," Mr. Doherty said. "By far the majority of them get less than $2,000 a year. Substitute carriers get only 65 cents an hour and are guaranteed only a minimum number of hours. From this pay, the Government deducts 6 per cent for retirement and life. And out of their meager earnings the letter carriers have to buy their own uniforms and shoes. That last is an important and costly item, because when a man's out in the rain, he's all through as a letter carrier."

Explaining that legislation by Congress is necessary to secure pay increases for letter carriers, Mr. Doherty continued:

"The Postmaster General is sympathetic to us and so is President Roosevelt and so, for that matter, are the majority of the members of Congress, but all of them have been so busily attending to pressing matters of war problems that they haven't got around to us yet."

In view of this preoccupation of Congress with other matters, Mr. Doherty said, the National Association of Letter Carriers have "decided to take our case directly to the people" and this our message: We've had a bill introduced in Congress, known as H. R. 7071, to provide a temporary $300 a year increase in the annual salary of all Federal Government employes. We've not been selfish about this because most other civilian Government employes are in the same plight as the letter carriers. This bill is to remain in force only for the duration of the war and six months thereafter. Its purpose is merely to provide some temporary relief, because we don't want to ask Congress to take time out now to overhaul the pay scales of the thousands of different classifications of Government employes."

Asked what can the people of America do to help the letter carriers get the temporary increase of $300 a year, Mr. Doherty said:

"That's just what I'm getting at. I'm going to the people who live on every city street and country road in America. I'm speaking to you for the letter carriers who come your way every day. Your letter carrier has asked me to enlist your help. All you have to do is to write a letter or postcard to your Congressman urging him to support H. R. 7071, the bill that all Government employes need to continue getting their bread and butter. Please do this at once and we'll get action."

## AFL PUERTO RICAN UNIONS REPORT MANY AGREEMENTS

Washington, D. C.—A report from First Vice President Francisco Pas Granela of the Free Federation of Workingmen of Puerto Rico to AFL headquarters here outlining recent progress made in its organizational drive includes the following agreements negotiated by AFL unions:

The Federal Council of the agricultural and factories unions with the Sugar Producers Association; Longshoremen's Union with the shipping concerns; the Hair-Net Workers; the Women's Union of San Juan with the Hair-Net Company; the Chauffeurs Union with the White Star Bus Line of San Juan; the Insular Council of the Bakers Union with all the employers in San Juan and some towns of the island; eight thousand cigar makers affiliated with the Cigarmakers International Union of America with the cigar manufacturers throughout the island; the Mechanics Union of San Juan with Bues, de Abarca.

In addition, the electrical workers in San Juan and other cities and the laundry workers in San Juan have been organized.

## MAINTENANCE OF WAY UNION GAINS TWO MORE CARRIERS

Detroit, Mich.—The Brotherhood of Maintenance of Way Employes announced that two more carriers, the Philadelphia Belt Line Railroad and the Wichita Falls & Southern, had been added to the union list. At the former, the National Mediation Board held a check of the membership, and at the latter the management agreed to recognize the Way Employes after the union took its case to the board.

## CCC TAKES PROMPT ACTION ON FEDERAL WAGE BOOSTS

Washington, D. C.—The Civil Service Commission notified all agencies that, prompt action will be taken to reclassify building guards and their supervisors who are raised one grade under the new pay legislation for custodial employes.

This legislation establishes a $1,500 minimum, supplanting the present rate of $1,200, and makes other changes accordingly.

The agencies were advised to send the classification sheets covering the positions to the commission at once.

*Labor Unity Great Contribution to Welfare of Workers, AFL Chief Declares*

Chicago, Ill. — For the third time since the split in the labor movement occurred in 1935, representatives of the American Federation of Labor and the CIO will sit down together in Washington, D. C., within a few days to seek new agreement under which organized labor in America can be reunited.

Although the first two conferences — which took place in 1937 and 1939—ended in failure, AFL President William Green expressed confidence that, actuated by the desire for peace which prevails throughout the ranks of labor, the conferees this time "will be able to reach a settlement fair to all concerned."

The new peace conferences were made possible by the relentless pressure exerted by the Executive Council of the American Federation of Labor, which in its session here, CIO President Philip Murray, who had hitherto fought shy of entering such conferences, finally had to accede.

Immediately upon the receipt of his letter, expressing a willingness to meet with representatives of the AFL, Mr. Green announced that steps would be taken at once to arrange a time and place of meeting convenient to both sides. .

"Re-establishment of organic unity in the ranks of organized labor is the greatest single contribution the American Federation of Labor and the CIO can make at this time to the success of the war effort," Mr. Green said.

"It will eliminate division, discord and jurisdictional strife. It will expedite war production. It will permit labor to speak with a single and more effective voice, both in protecting the national and allied interests of workers today and when world peace is finally negotiated."

Mr. Green announced that the standing peace committee of the American Federation of Vice Presidents Harry C. Bates, Daniel J. Tobin and William L. Hutcheson, will be ready to meet with the committee designated by Mr. Murray. Steps will be taken at once to arrange a series of conferences between him and Murray showing the background of how the conferences came about.

According to this correspondence, Mr. Green notified Mr. Murray on March 23 that he had been directed by the AFL Executive Council to extend to the CIO a formal invitation to renew peace conferences.

Mr. Murray's reply, received several weeks later, endorsed a copy of a resolution adopted by the CIO Executive Board, opposing any attempt to seek to obtain peace and unity at this time.

Mr. Green promptly replied that the CIO attitude was short-sighted and not calculated to serve the best interests of the nation, or the cause of the nation.

Subsequently then, on Aug. 1, Mr. Murray wrote another letter, reversing the CIO's former position and agreeing to peace.

According to newspaper reports, the reversal of policy may have been the result of intervention by President Roosevelt, who is said to have urged Mr. Murray to renew peace negotiations in the public interest.

Vice President Bates, who serves as chairman of the AFL Peace Committee, said that at the conclusion of the present session of meetings of the Executive Council he would get in touch with Mr. Murray to arrange the first peace conference. He indicated it probably would take place in the nation's capital.

## AFL ORGANIZATIONS GAIN, VICTORIES IN SHIPYARDS

The International Brotherhood of Boilermakers and other AFL unions reported sweeping new gains in the shipbuilding field.

Outstanding was a victory by a 2-to-1 margin over the CIO in a National Labor Relations Board election at the Rheems Shipbuilding Corporation in Providence, R. I. Now employing 2,000 workers, this yard will have 13,000 when fully manned. AFL unions also announced signing of a new agreement with Southeastern Shipbuilding Company in Savannah, Ga.

Meanwhile, the Maritime Commission revealed that the nation's shipbuilding workers set a new world's record in July when they turned out 21 freighters and large tankers, an average of well over two a day. Sixty per cent of the ships were produced on AFL yards.